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**LOUISIANA PROFESSIONAL ENGINEERING
AND LAND SURVEYING BOARD**
Department of Transportation and Development
State of Louisiana
Baton Rouge, Louisiana

Audited Financial Statements
As of and For the Year Ended June 30, 2007

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 10/17/07

LOUISIANA PROFESSIONAL ENGINEERING
AND LAND SURVEYING BOARD
Department of Transportation and Development
State of Louisiana
Baton Rouge, Louisiana

Audited Financial Statements
As of and For the Year Ended June 30, 2007

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LOUISIANA PROFESSIONAL ENGINEERING AND LAND SURVEYING BOARD

Kerry M. Hawkins
P.E.
Chairman

C. L. Jack Stelly
P.L.S.
Vice Chairman

Timothy J. Allen
P.L.S.
Treasurer

Joseph C. Wink, Jr.
P.E.
Secretary

Roger D. Danzy
P.E.

James D. Garber,
Ph.D., P. E.

Rhaoul A. Guillaume
P.E.

Mark A. Jusselin
P.E.

Norma Jean Mattei
Ph.D., P. E.

Ali M. Mustapha
P.E.

Richard L. Savoie
P.E.

Donna D. Sentell
Executive Secretary

August 16, 2007

Legislative Auditor
State of Louisiana
Post Office Box 94397
Baton Rouge, LA 70804-9397

Dear Auditor:

Attached is the required Financial Report:
Fiscal year ending 2006 - 2007.

Sincerely,

Donna D. Sentell
Executive Director

Roy Chenevert

CERTIFIED PUBLIC ACCOUNTANT

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INDEPENDENT AUDITOR'S REPORT

Louisiana Professional Engineering
and Land Surveying Board
Department of Transportation
and Development
State of Louisiana
Baton Rouge, Louisiana

We have audited the accompanying basic financial statements of the Louisiana Professional Engineering and Land Surveying Board, a component unit of the State of Louisiana, as of and for the year ended June 30, 2007, as listed in the table of contents. These basic financial statements are the responsibility of the management of the Louisiana Professional Engineering and Land Surveying Board. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Louisiana Professional Engineering and Land Surveying Board as of June 30, 2007, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 16, 2007, on our consideration of the Louisiana Professional Engineering and Land Surveying Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, and contracts. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the Louisiana Professional Engineering and Land Surveying Board's basic financial statements taken as a whole. The accompanying supplemental information listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements of the Louisiana Professional Engineering and Land Surveying Board. Such information has been subjected to the audit procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Roy Chenevert, CPA

Baton Rouge, Louisiana
August 16, 2007

**LOUISIANA PROFESSIONAL ENGINEERING
AND LAND SURVEYING BOARD**
Department of Transportation and Development
State of Louisiana
Management's Discussion and Analysis

The management's discussion and analysis of the Louisiana Professional Engineering and Land Surveying Board's financial performance presents a narrative overview and analysis of the board's financial activities for the year ended June 30, 2007. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the additional information contained in the transmittal letter and the board's financial statements.

FINANCIAL HIGHLIGHTS

The board's assets exceeded its liabilities at the close of fiscal year 2007 by \$1,426,329. The net assets increased by \$391,224 (or 37.8%).

The board's revenue increased by \$122,899 (or 9.7%).

OVERVIEW OF THE FINANCIAL STATEMENTS

The Louisiana Professional Engineering and Land Surveying Board's financial statements are comprised of the basic financial statements and the notes to the financial statements. In addition to the basic financial statements and the accompanying notes, other information in this report presents certain supplementary information required by legislative resolution. The basic financial statements are designed to provide readers with a broad overview of the board's finances in a manner similar to a private sector business.

Basic Financial Statements

The basic financial statements of the Louisiana Professional Engineering and Land Surveying Board presents financial information for the board as a whole, in a format designed to make the statements easier for the reader to understand. The statements of this section include the Statement of Net Assets, the Statement of Revenues, Expenses, and Changes in Net Assets, and the Statement of Cash Flows.

The Statement of Net Assets (page 9) presents the current and long-term portion of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the board is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Net Assets (page 10) presents information showing how the board's assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Statement of Cash Flows (pages 11) presents information showing how the board's cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income to net cash provided by operating activities (indirect method) as required by GASB 34.

FINANCIAL ANALYSIS OF THE BOARD

Statement of Net Assets as of June 30, 2007 and 2006

| | <u>2007</u> | <u>2006</u> |
|--------------------------|--------------------|--------------------|
| Current and other assets | \$1,475,068 | \$1,081,079 |
| Capital assets | - | - |
| Total assets | <u>1,475,068</u> | <u>1,081,079</u> |
| Current liabilities | 30,470 | 24,819 |
| Non-current liabilities | 18,269 | 21,155 |
| Total liabilities | <u>48,739</u> | <u>45,974</u> |
| Total net assets | <u>\$1,426,329</u> | <u>\$1,035,105</u> |

The composite net asset amount of \$1,426,329 consists of unrestricted net assets. The board's equity interest in its capital assets is reported within the investment in capital assets. As of June 30, 2007, capital assets are fully depreciated. The unrestricted net assets are those that do not have any limitations for what these amounts may be used.

Net assets of the board increased by \$391,224, or 37.8%, from June 30, 2006, to June 30, 2007. A major cause of this increase is the result of an increase in application and delinquent fees, and interest income.

Statement of Revenues, Expenses, and Changes in Net Assets for the year ended June 30, 2007 and 2006

| | <u>2007</u> | <u>2006</u> |
|------------------------|--------------------|-------------------|
| Operating revenues | \$ 1,278,780 | \$ 1,192,985 |
| Operating expenses | <u>(1,000,207)</u> | <u>(900,379)</u> |
| Operating income | 278,573 | 292,606 |
| Non-operating revenues | 112,651 | 75,547 |
| Increase in net assets | <u>\$ 391,224</u> | <u>\$ 368,153</u> |

The board's total revenues increased by \$122,899 or 9.7%. The total cost of all programs and services increased by \$99,828 or 11.1%.

CAPITAL ASSETS

At the end of 2007, the board had invested in a broad range of capital assets consisting mainly of furniture and equipment that are fully depreciated.

There were no major additions this year in furniture and equipment.

BUDGET

The annual budget was adopted by the board at its November 22, 2005 meeting.

CONTACTING THE LOUISIANA PROFESSIONAL ENGINEERING AND LAND SURVEYING BOARD'S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and customers with a general overview of the Louisiana Professional Engineering and Land Surveying Board's finances and to show the board's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Executive Secretary, Louisiana Professional Engineering and Land Surveying Board, 9643 Brookline Avenue, Suite 121, Baton Rouge, Louisiana 70809.

**Louisiana Professional Engineering and
 Land Surveying Board
 Department of Transportation and Development
 State of Louisiana
 Statement of Net Assets
 June 30, 2007**

Assets

Current assets

| | |
|----------------------|--------------|
| Cash (note 2) | \$ 1,467,538 |
| Receivables | 26 |
| Prepays | <u>7,504</u> |
| Total current assets | 1,475,068 |

Non-current assets

| | |
|--|------------------|
| Capital assets, net of depreciation (note 3) | - |
| Total assets | <u>1,475,068</u> |

Liabilities

Current liabilities

| | |
|--|--------------|
| Accounts payable (note 7) | 20,989 |
| Current portion of long-term liability | |
| Accrued compensated absences (note 8) | <u>9,481</u> |
| Total current liabilities | 30,470 |

Non-current liabilities:

| | |
|---------------------------------------|---------------|
| Accrued compensated absences (note 8) | <u>18,269</u> |
| Total liabilities | <u>48,739</u> |

Net assets

| | |
|----------------------------|---------------------|
| Invested in capital assets | - |
| Unrestricted net assets | <u>1,426,329</u> |
| Total net assets | <u>\$ 1,426,329</u> |

See accompanying notes to the financial statements.

**Louisiana Professional Engineering and
Land Surveying Board
Department of Transportation and Development
State of Louisiana
Statement of Revenues, Expenses,
and Changes in Net Assets
Year Ended June 30, 2007**

| | |
|-------------------------------|---------------------------|
| Operating revenues | |
| Licenses, permits, and fees | <u>\$1,278,780</u> |
| Operating expenses | |
| Personal services | 492,396 |
| Travel | 74,441 |
| Operating services | 225,707 |
| Supplies | 12,982 |
| Professional services | 164,311 |
| Capital outlay | 30,370 |
| Total operating expenses | <u>1,000,207</u> |
| Operating income | <u>278,573</u> |
| Non-operating revenues | |
| Use of money and property | 46,922 |
| Other revenues | 65,729 |
| Total non-operating revenues | <u>112,651</u> |
| Change in net assets | 391,224 |
| Net assets, beginning of year | <u>1,035,105</u> |
| Net assets, end of year | <u><u>\$1,426,329</u></u> |

See accompanying notes to the financial statements.

**Louisiana Professional Engineering and
 Land Surveying Board
 Department of Transportation and Development
 State of Louisiana
 Statement of Cash Flows
 Year Ended June 30, 2007**

| | |
|---|---------------------------|
| Cash flows from operating activities | |
| Cash received from customers | \$1,278,780 |
| Cash paid to suppliers for goods and services | (503,065) |
| Cash paid to employees for services | (491,121) |
| Net cash provided by operating activities | <u>284,594</u> |
| Cash flows from non-capital financing activities | |
| Other non-operating revenue | <u>65,729</u> |
| Net cash provided by non-capital financing activities | <u>65,729</u> |
| Cash flows from investing activities | |
| Interest earned | <u>46,922</u> |
| Net cash provided by investing activities | <u>46,922</u> |
| Net increase in cash | 397,245 |
| Cash, beginning of year | <u>1,070,293</u> |
| Cash, end of year | <u><u>\$1,467,538</u></u> |
| Reconciliation of operating income to net cash provided by operating activities | |
| Operating income | \$ 278,573 |
| Adjustments to reconcile operating income to net cash provided by operating activities | |
| Decrease in accounts receivable | 218 |
| Decrease in prepaids | 3,038 |
| Increase in accounts payable | 1,490 |
| Increase in accrued payroll | 731 |
| Increase in compensated absences payable | <u>544</u> |
| Net cash provided by operating activities | <u><u>\$ 284,594</u></u> |

See accompanying notes to the financial statements.

LOUISIANA PROFESSIONAL ENGINEERING AND LAND SURVEYING BOARD
Department of Transportation and Development
State of Louisiana
Notes to the Financial Statements
June 30, 2007

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Louisiana Professional Engineering and Land Surveying Board is a component unit of the State of Louisiana created under the provisions of Louisiana Revised Statute 37:681-703, within the Department of Transportation and Development, and is domiciled in East Baton Rouge Parish. The board consists of 11 members appointed by the governor. The members serve terms of six years, and may receive a per diem not to exceed \$100 per meeting or day spent on business of the board, plus travel expenses. The board is charged with the responsibility of examining, certifying, registering, and disciplining engineers and land surveyors within the State of Louisiana. Operations of the board are funded through self-generated revenues.

Basis of Presentation

The accompanying financial statements have been prepared on the full accrual basis in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting principles and financial reporting standards.

Reporting Entity

GASB Codification Section 2100 has defined the governmental reporting entity to be the State of Louisiana. The board is considered a component unit of the State of Louisiana because the state exercises oversight responsibility in that the governor appoints the board members and public service is rendered within the state's boundaries. The accompanying financial statements present only transactions of the Louisiana Professional Engineering and Land Surveying Board. Annually, the State of Louisiana issues basic financial statements, which include the activity contained in the accompanying financial statements.

Fund Accounting

All activities of the board are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Basis of Accounting

The accounting and financial reporting treatment applied to the board is determined by its measurement focus. The transactions of the board are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the Statement of Net Assets. Net Assets are segregated into invested in capital assets, and unrestricted net assets.

LOUISIANA PROFESSIONAL ENGINEERING AND LAND SURVEYING BOARD
Department of Transportation and Development
State of Louisiana
Notes to the Financial Statements
June 30, 2007

Budget Practices

Annually, the board prepares a budget as prescribed by Revised Statute 39:1331-1342. The annual budget was adopted by the board at its November 22, 2005 meeting. The budget is prepared on the modified accrual basis of accounting. Although budget amounts lapse at year-end, the board retains its unexpended net assets to fund expenditures of the succeeding year.

Cash

Cash includes petty cash and demand deposits. Under state law, the board may deposit funds in a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. Furthermore, the board may invest in certificates of deposit of state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Capital Assets

Capital assets are recorded at cost, if purchased or constructed. Assets acquired through contributions are capitalized at their estimated fair value, if available, or at estimated fair value or cost to construct at the date of the contribution. Furniture and equipment includes all items valued over \$5,000. Assets are depreciated using the straight-line method over the useful lives of the assets as follows:

| | <u>Years</u> |
|---------------------------|--------------|
| Automobiles | 5 |
| Data processing equipment | 5 |
| Furniture and equipment | 10 |

Compensated Absences

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits. Compensated absences are computed in accordance with GASB Codification Section C60, and are recognized as an expense and liability in the financial statements when incurred.

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned. Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employee's hourly rate of pay at termination or transfer. Compensatory leave is computed in accordance with GASB Codification Section C60.105, and is recognized as an expense and liability in the financial statements when incurred.

LOUISIANA PROFESSIONAL ENGINEERING AND LAND SURVEYING BOARD
Department of Transportation and Development
State of Louisiana
Notes to the Financial Statements
June 30, 2007

Net Assets

Net assets comprise the various net earnings from operation, non-operating revenues, expenses, and contributions of capital. Net assets are classified in the following two components:

Invested in capital assets – Consists of all capital assets, net of accumulated depreciation.

Unrestricted net assets – Consists of all other net assets that are not included in the other categories previously mentioned.

NOTE 2 – CASH

At June 30, 2007, the board has cash (book balances) totaling \$1,467,538.

Deposits in bank accounts are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent banks. The fair value of the pledged securities plus the federal security must at all times equal the amount on deposit with the fiscal agents. At June 30, 2007, the board has \$1,503,270 in deposits (collected bank balances) that were 100% insured or collateralized with securities held by the board or its agent in the board's name.

NOTE 3 – CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets is as follows:

| | Balance July 1, 2006 | Deletions | Balance June 30, 2007 |
|-------------------------------|-------------------------|-------------|--------------------------|
| Furniture & Equipment | \$ 22,537 | \$ (14,878) | \$ 7,659 |
| Less accumulated depreciation | (22,537) | 14,878 | (7,659) |
| Total Furniture & Equipment | \$ - | \$ - | \$ - |

NOTE 4 – RETIREMENT SYSTEM

Substantially all employees of the board belong to the Louisiana State Employees Retirement System, a single employer defined benefit pension plan. The System is a statewide public employee retirement system and is available to all eligible employees. The System publishes annual financial reports that include detailed historical, financial, and actuarial information.

All full time board employees are eligible to participate in the System. Benefits vest with 10 years of service. Generally, at retirement age, employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months average salary multiplied by their years of credited service, except for members eligible to begin participation in the Defined Benefit Plan (DBP) on or after July 1, 2006. Retirement eligibility for these members is limited to age 60, or thereafter, upon attainment of ten

LOUISIANA PROFESSIONAL ENGINEERING AND LAND SURVEYING BOARD
Department of Transportation and Development
State of Louisiana
Notes to the Financial Statements
June 30, 2007

years of creditable service. Final average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment.

Vested employees eligible to participate before July 1, 2006 are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of services, or (c) age 60 with 10 years of service. In addition, vested employees have the option of reduced benefits at any age with 20 years of service. Those hired on or after July 1, 2006 have only a single age option. They cannot retire until age 60 with a minimum of ten years of service.

The System also provides death and disability benefits. Benefits are established or amended by state statute. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000.

Members are required by state statute to contribute 7.5% of gross salary, and the board is required to contribute at an actuarially determined rate as required by Revised Statute 11:102. The board's contribution rate for fiscal years ended June 30, 2007, 2006, and 2005 were 19.1%, 19.1%, and 17.8%, respectively, of annual covered payroll. The board's contributions to the System for the years ending June 30, 2007, 2006, and 2005 were \$62,986, \$59,166, and \$67,512, respectively, which are the required contributions for each year.

NOTE 5 – POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Louisiana Professional Engineering and Land Surveying Board provides certain continuing health care and life insurance benefits for its retired employees. Substantially all board employees become eligible for those benefits if they reach normal retirement age while working for the board. Those benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and by the board. The board recognizes the cost of providing those benefits (board's portion of premiums) as an expense when paid during the year. For the year ended June 30, 2007, the cost of five retirees' benefits totaled \$19,548.

NOTE 6 – LEASE AND RENTAL COMMITMENTS

The board has continuing obligations for operating leases at June 30, 2007 as follows:

| <u>Fiscal Year Ending</u> | <u>Office Space</u> | <u>Equipment</u> |
|---------------------------|---------------------|------------------|
| June 30, 2008 | \$67,992 | \$2,035 |
| June 30, 2009 | \$67,992 | - |
| June 30, 2010 | \$28,330 | - |

LOUISIANA PROFESSIONAL ENGINEERING AND LAND SURVEYING BOARD
Department of Transportation and Development
State of Louisiana
Notes to the Financial Statements
June 30, 2007

Lease and rental expenses for the year ended June 30, 2007 totaled \$73,548. The board has no capital leases.

NOTE 7 – PAYABLES

At June 30, 2007, the board had payables totaling \$20,989 as follows:

| | |
|-----------------------|------------------|
| Accounts payable | \$ 6,203 |
| Accrued wages payable | 12,192 |
| Benefits payable | <u>2,594</u> |
| Total payables | <u>\$ 20,989</u> |

NOTE 8 – COMPENSATED ABSENCES

The following is a summary of changes in compensated absences for the year ended June 30, 2007:

| | <u>July 1, 2006</u> | <u>Addition</u> | <u>June 30, 2007</u> |
|----------------------|---------------------|-----------------|----------------------|
| Compensated Absences | \$27,206 | \$544 | \$27,750 |

The addition to compensated absences during the 2006-07 fiscal year represents the net change during the year because the additions and reductions could not readily be determined.

NOTE 9 – LITIGATION

The Louisiana Professional Engineering and Land Surveying Board is not a defendant in any litigation seeking damages at June 30, 2007.

**Other Report Required By
*Government Auditing Standards***

The following pages contain a report on compliance with laws and regulations and on internal control as required by *Government Auditing Standards*, issued by the Comptroller General of the United States. This report is based solely on the audit of the financial statements and includes, where appropriate, any reportable conditions and/or material weaknesses in internal control or compliance matters that would be material to the presented financial statements.

Roy Chenevert

CERTIFIED PUBLIC ACCOUNTANT

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AICPA PRIVATE COMPANIES PRACTICE SECTION
SOCIETY OF LOUISIANA CPAs

REPORT ON COMPLIANCE AND OTHER MATTERS AND ON INTERNAL
CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT
OF THE BASIC FINANCIAL STATEMENTS

Louisiana Professional Engineering and
Land Surveying Board
Department of Transportation and
Development
State of Louisiana
Baton Rouge, Louisiana

We have audited the basic financial statements of the Louisiana Professional Engineering and Land Surveying Board, a component unit of the State of Louisiana, as of and for the year ended June 30, 2007, and have issued our report thereon dated August 16, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Louisiana Professional Engineering and Land Surveying Board's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance that are required to be reported under *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Louisiana Professional Engineering and Land Surveying Board's internal control over financial reporting to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Louisiana Professional Engineering and Land Surveying Board's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Louisiana Professional Engineering and Land Surveying Board's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted

accounting principles such that there is more than a remote likelihood that a misstatement of the Board's financial statements that is more than inconsequential will not be prevented or detected by the Board's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Board's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the Louisiana Professional Engineering and Land Surveying Board in a separate letter dated August 16, 2007.

This report is intended solely for the information and use of the Board and its management and is not intended to be, and should not be, used by anyone other than these specified parties.

Roy Chenevert, CPA

Baton Rouge, Louisiana
August 16, 2007

**LOUISIANA PROFESSIONAL ENGINEERING AND
LAND SURVEYING BOARD
Department of Transportation and Development
State of Louisiana
Schedule of Findings
For the Year Ended June 30, 2007**

Type of auditor's report issued: Unqualified.

Internal control over financial reporting: No reportable conditions identified.

Compliance: No instances of noncompliance were identified.

**LOUISIANA PROFESSIONAL ENGINEERING AND
LAND SURVEYING BOARD
Department of Transportation and Development
State of Louisiana
Summary Schedule of Prior Audit Finding**

For the Year Ended June 30, 2006

Finding: 2006-1 Additions to Capital Assets

Status of Finding: Resolved

During the fiscal year ended June 30, 2007, equipment purchased was added to the LPAA system on a timely basis.

Finding: 2006-2 Possible Violation of Article 7, Section 14 of the Louisiana Constitution

Status of Finding: Resolved

Louisiana Revised Statute 37:688 defines the powers of the Board including notification of licensees and certificate holders in writing or by notice in the official journal of the Board. The Rules of the Board LAC 46:LXI.721(B) state that the official journal of the Board shall be selected by the Board.

SUPPLEMENTAL INFORMATION SCHEDULES

PER DIEM PAID BOARD MEMBERS

The schedule of per diem paid to board members was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Per diem payments are authorized by Louisiana Revised Statute 37:685. Board members are paid \$100 per day for board meetings and official business.

DIVISION OF ADMINISTRATION – OFFICE OF STATEWIDE REPORTING AND ACCOUNTING POLICY – REPORTING PACKAGE

The reporting package of the Division of Administration – Office of Statewide Reporting and Accounting Policy (OSRAP) was completed in order to provide information to OSRAP to be used in the preparation of the State of Louisiana's Comprehensive Annual Financial Report (CAFR).

**Louisiana Professional Engineering and
Land Surveying Board
Department of Transportation and
Development
State of Louisiana
Schedule of Per Diem Paid Board Members
For the Year Ended June 30, 2007**

| | <u>Number</u> | <u>Amount</u> |
|--|---------------|------------------|
| Timothy J. Allen | 32 | \$ 3,193 |
| Richard I. Durrett (term ended March 20, 2007) | 28 | 2,765 |
| Roger D. Danzy (appointed March 20, 2007) | 9 | 870 |
| James D. Garber | 11.5 | 1,137 |
| Rhaoul A. Guillaume | 19.5 | 1,944 |
| Kerry M. Hawkins | 34.5 | 3,407 |
| Mark A. Jusselin | 26.5 | 2,613 |
| Norma J. Mattei (appointed May 14, 2007) | | - |
| Kenneth L. McManis (term ended March 20, 2007) | 9.5 | 950 |
| Ali M. Mustapha | 10 | 1,000 |
| Richard I. Savoie (appointed May 14, 2007) | | - |
| Mark H. Segura (deceased) | 13 | 1,291 |
| C. L. Jack Stelly | 30.5 | 3,020 |
| Joseph C. Wink, Jr. | 16 | 1,600 |
| | | <hr/> |
| Total | | <u>\$ 23,790</u> |

Louisiana Professional Engineering and Land Surveying Board
STATE OF LOUISIANA
Annual Financial Statements
June 30, 2007

C O N T E N T S

TRANSMITTAL LETTER
AFFIDAVIT

Statements

MD&A

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STATE OF LOUISIANA
Annual Financial Statements
Fiscal Year Ending June 30, 2007

Louisiana Professional Engineering and Land Surveying Board

Division of Administration
Office of Statewide Reporting
and Accounting Policy
P. O. Box 94095
Baton Rouge, Louisiana 70804-9095

Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804-9397

Physical Address:
1201 N. Third Street
Claiborne Building, 6th Floor, Suite 6-130
Baton Rouge, Louisiana 70802

Physical Address:
1600 N. Third Street
Baton Rouge, Louisiana 70802

AFFIDAVIT

Personally came and appeared before the undersigned authority, Donna Sentell, Executive Secretary of the Louisiana Professional Engineering and Land Surveying Board who duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of the Louisiana Professional Engineering and Land Surveying Board at June 30, 2007 and the results of operations for the year then ended in accordance with policies and practices established by the Division of Administration or in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board. Sworn and subscribed before me, this sixteenth day of August, 2007.

Donna D. Sentell
Signature of Agency Official

D. Scott Landry
NOTARY PUBLIC
D. Scott Landry #18996
My Commission Expires 8/2011

Prepared by: Donna Sentell

Title: Executive Secretary

Telephone No.: (225) 925-6291

Date: 17 Aug 07

**STATE OF LOUISIANA
LOUISIANA PROFESSIONAL ENGINEERING
AND LAND SURVEYING BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2007**

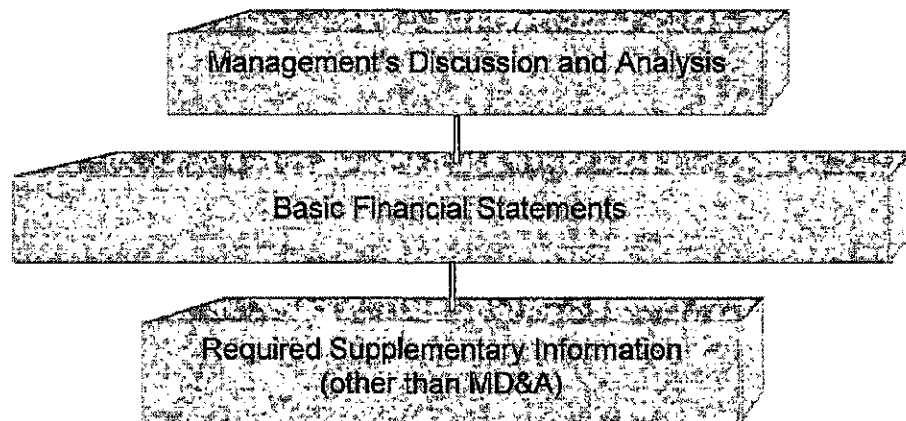
The Management's Discussion and Analysis of the Louisiana Professional Engineering and Land Surveying Board's (BTA) financial performance presents a narrative overview and analysis of the Board's (BTA) financial activities for the year ended June 30, 2007. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the transmittal letter and the Board's (BTA) financial statements.

FINANCIAL HIGHLIGHTS

- ☆ The Louisiana Professional Engineering and Land Surveying Board's (BTA) assets exceeded its liabilities at the close of fiscal year 2007 by \$1,426,329 which represents a 37.8% increase from last fiscal year. The net assets increased by \$391,224 (or 37.8%).
- ☆ The Board's (BTA) revenue increased \$122,899 (or 9.7%) and the net results from activities increased by \$23,071 (or 6.2%).

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the Basic Financial Statements (including the notes to the financial statements), and Required Supplementary Information.

Basic Financial Statements

The basic financial statements present information for the Louisiana Professional Engineering and Land Surveying Board (BTA) as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Balance Sheet; the Statement of Revenues, Expenses, and Changes in Fund Net Assets; and the Statement of Cash Flows.

**STATE OF LOUISIANA
LOUISIANA PROFESSIONAL ENGINEERING
AND LAND SURVEYING BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2007**

The Balance Sheet presents the current and long-term portions of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the Board (BTA) is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Fund Net Assets presents information showing how the Board's (BTA) assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Statement of Cash Flows presents information showing how the Board's (BTA) cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income(loss) to net cash provided(used) by operating activities (indirect method) as required by GASB 34.

FINANCIAL ANALYSIS OF THE ENTITY

| Statement of Net Assets as of June 30, 2007 and 2006 (in thousands) | | |
|---|----------|----------|
| | Total | |
| | 2007 | 2006 |
| Current and other assets | \$ 1,475 | \$ 1,081 |
| Capital assets | - | - |
| Total assets | 1,475 | 1,081 |
| Other liabilities | 31 | 25 |
| Long-term debt outstanding | 18 | 21 |
| Total liabilities | 49 | 46 |
| Net assets: | | |
| Invested in capital assets, net of debt | - | - |
| Restricted | - | - |
| Unrestricted | 1,426 | 1,035 |
| Total net assets | \$ 1,426 | \$ 1,035 |

Restricted net assets represent those assets that are not available for spending as a result of legislative requirements, donor agreements, or grant requirements. Conversely, unrestricted net assets are those that do not have any limitations on how these amounts may be spent.

Net assets of the Louisiana Professional Engineering and Land Surveying Board (BTA) increased by \$391,224, or 37.8%, from June 30, 2006 to June 30, 2007. Causes include an increase in application and delinquent fees, and interest income.

**STATE OF LOUISIANA
LOUISIANA PROFESSIONAL ENGINEERING
AND LAND SURVEYING BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2007**

**Statement of Revenues, Expenses, and Changes in Fund Net Assets
for the years ended June 30, 2007 and 2006
(in thousands)**

| | <u>Total</u> | |
|--------------------------------------|---------------|---------------|
| | <u>2007</u> | <u>2006</u> |
| Operating revenues | \$ 1,278 | \$ 1,193 |
| Operating expenses | <u>1,000</u> | <u>900</u> |
| Operating income(loss) | <u>278</u> | <u>293</u> |
| Non-operating revenues(expenses) | <u>113</u> | <u>75</u> |
| Income(loss) before transfers | <u>391</u> | <u>368</u> |
| Transfers in | 0 | 0 |
| Transfers out | <u>0</u> | <u>0</u> |
| Net increase(decrease) in net assets | \$ <u>391</u> | \$ <u>368</u> |

The Board's (BTA) total revenues increased by \$122,899 or (9.7%). The total cost of all programs and services increased by \$99,828 or 11.1%.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2007, the Louisiana Professional Engineering and Land Surveying Board (BTA) had invested in a broad range of capital assets, including furniture and equipment. (See Table below) All capital assets are fully depreciated as of June 30, 2007.

| | <u>2007</u> | <u>2006</u> |
|----------------------------|-------------|-------------|
| Land | \$ | \$ |
| Buildings and improvements | | |
| Equipment | - | - |
| Infrastructure | | |
| Totals \$ | <u>-</u> | <u>-</u> |

There were no major additions during the fiscal year 2006/07.

**STATE OF LOUISIANA
LOUISIANA PROFESSIONAL ENGINEERING
AND LAND SURVEYING BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2007**

Debt

The Louisiana Professional Engineering and Land Surveying Board (BTA) had no bonds and notes outstanding at year-end.

The Louisiana Professional Engineering and Land Surveying Board (BTA) had no claims and judgments outstanding at year-end. Other obligations include accrued vacation pay.

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

Revenues were approximately \$2,500 over budget and expenditures were less than budget due in part to a reduction in professional services and other charges expenditures.

**CONTACTING THE LOUISIANA PROFESSIONAL ENGINEERING AND LAND
SURVEYING BOARD'S (BTA) MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Board's (BTA) finances and to show the Board's (BTA) accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Executive Secretary at 9643 Brookline Avenue, Suite 121, Baton Rouge, LA 70809.

STATE OF LOUISIANA
LOUISIANA PROFESSIONAL ENGINEERING AND LAND SURVEYING BOARD (BTA)
BALANCE SHEET
AS OF JUNE 30, 2007

ASSETS

CURRENT ASSETS:

| | | |
|--|----|------------------|
| Cash and cash equivalents | \$ | <u>1,467,538</u> |
| Investments | | |
| Receivables (net of allowance for doubtful accounts)(Note U) | | <u>26</u> |
| Due from other funds (Note Y) | | |
| Due from federal government | | |
| Inventories | | |
| Prepayments | | <u>7,504</u> |
| Notes receivable | | |
| Other current assets | | |
| Total current assets | | <u>1,475,068</u> |

NONCURRENT ASSETS:

| | | |
|--|----|------------------|
| Restricted assets (Note F): | | |
| Cash | | |
| Investments | | |
| Receivables | | |
| Notes receivable | | |
| Investments | | |
| Capital assets (net of depreciation)(Note D) | | |
| Land | | |
| Buildings and improvements | | |
| Machinery and equipment | | <u>0</u> |
| Infrastructure | | |
| Construction in progress | | |
| Other noncurrent assets | | |
| Total noncurrent assets | | <u>-</u> |
| Total assets | \$ | <u>1,475,068</u> |

LIABILITIES

CURRENT LIABILITIES:

| | | |
|---|----|---------------|
| Accounts payable and accruals (Note V) | \$ | <u>20,989</u> |
| Due to other funds (Note Y) | | |
| Due to federal government | | |
| Deferred revenues | | |
| Amounts held in custody for others | | |
| Other current liabilities | | |
| Current portion of long-term liabilities: | | |
| Contracts payable | | |
| Compensated absences payable (Note K) | | <u>9,481</u> |
| Capital lease obligations - (Note J) | | |
| Claims and litigation payable (Note K) | | |
| Notes payable | | |
| Liabilities payable from restricted assets (Note Z) | | |
| Bonds payable | | |
| Other long-term liabilities | | |
| Total current liabilities | | <u>30,470</u> |

NON-CURRENT LIABILITIES:

| | | |
|---|--|---------------|
| Contracts payable | | |
| Compensated absences payable (Note K) | | <u>18,269</u> |
| Claims and litigation payable (Note K) | | |
| Notes payable | | |
| Liabilities payable from restricted assets (Note Z) | | |
| Bonds payable | | |
| Other long-term liabilities | | |
| Total long-term liabilities | | <u>18,269</u> |
| Total liabilities | | <u>48,739</u> |

NET ASSETS

| | | |
|---|----|------------------|
| Invested in capital assets, net of related debt | | <u>0</u> |
| Restricted for: | | |
| Capital projects | | |
| Debt service | | |
| Unemployment compensation | | |
| Other specific purposes | | |
| Unrestricted | | <u>1,426,329</u> |
| Total net assets | | <u>1,426,329</u> |
| Total liabilities and net assets | \$ | <u>1,475,068</u> |

The accompanying notes are an integral part of this financial statement.

Statement A

**STATE OF LOUISIANA
LOUISIANA PROFESSIONAL ENGINEERING AND LAND SURVEYING BOARD (BTA)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2007**

| | |
|---|--------------|
| OPERATING REVENUES | |
| Sales of commodities and services | \$ _____ |
| Assessments | _____ |
| Use of money and property | _____ |
| Licenses, permits, and fees | 1,278,780 |
| Other | _____ |
| Total operating revenues | 1,278,780 |
| OPERATING EXPENSES | |
| Cost of sales and services | _____ |
| Administrative | 1,000,207 |
| Depreciation | _____ |
| Amortization | _____ |
| Total operating expenses | 1,000,207 |
| Operating income(loss) | 278,573 |
| NON-OPERATING REVENUES(EXPENSES) | |
| State appropriations | _____ |
| Intergovernmental revenues(expenses) | _____ |
| Taxes | _____ |
| Use of money and property | 46,922 |
| Gain on disposal of fixed assets | _____ |
| Loss on disposal of fixed assets | _____ |
| Federal grants | _____ |
| Interest expense | _____ |
| Other revenue | 65,729 |
| Other expense | _____ |
| Total non-operating revenues(expenses) | 112,651 |
| Income(loss) before contributions and transfers | 391,224 |
| Capital contributions | _____ |
| Extraordinary item - Loss on impairment of capital assets | _____ |
| Transfers in | _____ |
| Transfers out | _____ |
| Change in net assets | 391,224 |
| Total net assets – beginning | 1,035,105 |
| Total net assets – ending | \$ 1,426,329 |

The accompanying notes are an integral part of this financial statement.

Statement B

**STATE OF LOUISIANA
LOUISIANA PROFESSIONAL ENGINEERING AND LAND SURVEYING BOARD (BTA)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2007**

See Appendix A for instructions

| | Program Revenues | | | | Net (Expense) Revenue and Changes in Net Assets |
|--|------------------|-------------------------|--|--|--|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | |
| Entity | \$ 1,000,207 | \$ 1,278,780 | \$ | \$ | \$ 278,573 |
| General revenues: | | | | | |
| Taxes | | | | | |
| State appropriations | | | | | |
| Grants and contributions not restricted to specific programs | | | | | |
| Interest | | | | | 46,922 |
| Miscellaneous | | | | | 65,729 |
| Special items | | | | | |
| Extraordinary item - Loss on impairment of capital assets | | | | | |
| Transfers | | | | | |
| Total general revenues, special items, and transfers | | | | | 112,651 |
| Change in net assets | | | | | 391,224 |
| Net assets - beginning as restated | | | | | 1,035,105 |
| Net assets - ending | | | | | \$ 1,426,329 |

The accompanying notes are an integral part of this statement.

STATE OF LOUISIANA
LOUISIANA PROFESSIONAL ENGINEERING AND LAND SURVEYING BOARD (BTA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2007

| | | |
|---|--------------|-------------------------|
| Cash flows from operating activities | | |
| Cash received from customers | \$ 1,278,780 | |
| Cash payments to suppliers for goods and services | (503,065) | |
| Cash payments to employees for services | (491,121) | |
| Payments in lieu of taxes | | |
| Internal activity-payments to other funds | | |
| Claims paid to outsiders | | |
| Other operating revenues(expenses) | | |
| Net cash provided(used) by operating activities | | <u>284,594</u> |
| Cash flows from non-capital financing activities | | |
| State appropriations | | |
| Proceeds from sale of bonds | | |
| Principal paid on bonds | | |
| Interest paid on bond maturities | | |
| Proceeds from issuance of notes payable | | |
| Principal paid on notes payable | | |
| Interest paid on notes payable | | |
| Operating grants received | | |
| Transfers in | | |
| Transfers out | | |
| Other | 65,729 | |
| Net cash provided(used) by non-capital financing activities | | <u>65,729</u> |
| Cash flows from capital and related financing activities | | |
| Proceeds from sale of bonds | | |
| Principal paid on bonds | | |
| Interest paid on bond maturities | | |
| Proceeds from issuance of notes payable | | |
| Principal paid on notes payable | | |
| Interest paid on notes payable | | |
| Acquisition/construction of capital assets | | |
| Proceeds from sale of capital assets | | |
| Capital contributions | | |
| Other | | |
| Net cash provided(used) by capital and related financing activities | | <u>-</u> |
| Cash flows from investing activities | | |
| Purchases of investment securities | | |
| Proceeds from sale of investment securities | | |
| Interest and dividends earned on investment securities | 46,922 | |
| Net cash provided(used) by investing activities | | <u>46,922</u> |
| Net increase(decrease) in cash and cash equivalents | | <u>397,245</u> |
| Cash and cash equivalents at beginning of year | | <u>1,070,293</u> |
| Cash and cash equivalents at end of year | \$ | <u><u>1,467,538</u></u> |

The accompanying notes are an integral part of this statement.

Statement D (continued)

**STATE OF LOUISIANA
LOUISIANA PROFESSIONAL ENGINEERING AND LAND SURVEYING BOARD (BTA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2007**

Reconciliation of operating income(loss) to net cash provided(used) by operating activities:

| | | | |
|---|-------|----|-----------------------|
| Operating income(loss) | | \$ | <u>278,573</u> |
| Adjustments to reconcile operating income(loss) to net cash | | | |
| Depreciation/amortization | | | |
| Provision for uncollectible accounts | | | |
| Other | | | |
| Changes in assets and liabilities: | | | |
| (Increase)decrease in accounts receivable, net | 218 | | |
| (Increase)decrease in due from other funds | | | |
| (Increase)decrease in prepayments | 3,038 | | |
| (Increase)decrease in inventories | | | |
| (Increase)decrease in other assets | | | |
| Increase(decrease) in accounts payable and accruals | 2,221 | | |
| Increase(decrease) in compensated absences payable | 544 | | |
| Increase(decrease) in due to other funds | | | |
| Increase(decrease) in deferred revenues | | | |
| Increase(decrease) in other liabilities | | | |
| Net cash provided(used) by operating activities | | \$ | <u><u>284,594</u></u> |

Schedule of noncash investing, capital, and financing activities:

| | | |
|--|----|-----------------|
| Borrowing under capital lease | \$ | |
| Contributions of fixed assets | | |
| Purchases of equipment on account | | |
| Asset trade-ins | | |
| Other (specify) | | |
| | | |
| | | |
| Total noncash investing, capital, and financing activities: | \$ | <u><u>-</u></u> |

The accompanying notes are an integral part of this statement.

Statement D (concluded)

**STATE OF LOUISIANA
LOUISIANA PROFESSIONAL ENGINEERING
AND LAND SURVEYING BOARD (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2007**

INTRODUCTION

The Louisiana Professional Engineering and Land Surveying Board (BTA) was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 37:681-703. The following is a brief description of the operations of the Board (BTA).

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of the Louisiana Professional Engineering and Land Surveying Board (BTA) present information only as to the transactions of the programs of the Board (BTA) as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the Board (BTA) are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy as follows:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

B. BUDGETARY ACCOUNTING

The appropriations made for the operations of the various programs of the Board (BTA) are annual lapsing appropriations.

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is prohibited by statute from over expending the categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Committee on the Budget, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements includes the original appropriation plus subsequent amendments as follows:

**STATE OF LOUISIANA
LOUISIANA PROFESSIONAL ENGINEERING
AND LAND SURVEYING BOARD (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2007**

| | <u>APPROPRIATIONS</u> |
|--|-----------------------------|
| Original approved budget | \$ <u>1,170,055</u> |
| Amendments: | |
| Reduction in salaries and operating expenses | <u>(94,923)</u> |
| | <u> </u> |
| Final approved budget | \$ <u><u>1,075,132</u></u> |

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (If all agency cash and investments are deposited in the State Treasury, disregard Note C.) See Appendix B for information related to Note C.

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the Board (BTA) may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the (BTA) may invest in time certificates of deposit in any bank domiciled or having a branch office in the state of Louisiana; in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows, all highly liquid investments (including restricted assets with a maturity of three months or less when purchased) are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.

GASB Statement 40, which amended GASB Statement 3, eliminated the requirement to disclose all deposits by the three categories of risk. GASB Statement 40 requires only the disclosure of deposits that are considered to be exposed to custodial credit risk. An entity's deposits are exposed to custodial credit risk if the deposit balances are either 1) uninsured and uncollateralized, 2) uninsured and collateralized with securities held by the pledging financial institution, or 3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name.

The deposits at June 30, 2007, consisted of the following:

**STATE OF LOUISIANA
LOUISIANA PROFESSIONAL ENGINEERING
AND LAND SURVEYING BOARD (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2007**

| | <u>Cash</u> | <u>Certificates of Deposit</u> | <u>Other (Describe)</u> | <u>Total</u> |
|--|--------------|------------------------------------|-----------------------------|--------------|
| Balance per agency books | \$ 1,467,538 | \$ _____ | \$ _____ | \$ 1,467,538 |
| Deposits in bank accounts per bank | \$ 1,503,270 | \$ _____ | \$ _____ | \$ 1,503,270 |
| Bank balances of deposits exposed to custodial credit risk: | | | | |
| a. Deposits not insured and uncollateralized | \$ _____ | \$ _____ | \$ _____ | \$ - |
| b. Deposits not insured and collateralized with securities held by the pledging institution. | \$ _____ | \$ _____ | \$ _____ | \$ - |
| c. Deposits not insured and collateralized with securities held by the pledging institution's trust department or agency <u>but not in the entity's name</u> . | \$ _____ | \$ _____ | \$ _____ | \$ - |

NOTE: The "Deposits in bank accounts per bank" will not necessarily equal the "Balance per agency books" due to outstanding items.

The following is a breakdown by banking institution, program, account number, and amount of the "Deposits in bank accounts per bank" balances shown above:

| <u>Banking Institution</u> | <u>Program</u> | <u>Amount</u> |
|----------------------------|----------------|---------------|
| 1. Regions Bank | | \$ 1,503,270 |
| 2. _____ | _____ | _____ |
| 3. _____ | _____ | _____ |
| 4. _____ | _____ | _____ |
| Total | | \$ 1,503,270 |

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the balance sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included on the balance sheet.

| | |
|------------------------|---------|
| Cash in State Treasury | \$ NONE |
| Petty cash | \$ 150 |

2. INVESTMENTS – NOT APPLICABLE
3. DERIVATIVES – NOT APPLICABLE
4. CREDIT RISK, INTEREST RATE RISK, CONCENTRATION OF CREDIT RISK, AND FOREIGN CURRENCY RISK DISCLOSURES – NOT APPLICABLE
5. POLICIES – NOT APPLICABLE
6. OTHER DISCLOSURES REQUIRED FOR INVESTMENTS – NOT APPLICABLE

**STATE OF LOUISIANA
LOUISIANA PROFESSIONAL ENGINEERING
AND LAND SURVEYING BOARD (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2007**

D. CAPITAL ASSETS – INCLUDING CAPITAL LEASE ASSETS

The fixed assets used in the Special Purpose Government Engaged only in Business-Type Activities are included on the balance sheet of the entity and are capitalized at cost. Depreciation of all exhaustible fixed assets used by the entity is charged as an expense against operations. Accumulated depreciation is reported on the balance sheet. Depreciation for financial reporting purposes is computed by the straight line method over the useful lives of the assets.

| Year ended June 30, 2007 | | | | | | |
|---|----------------------|-------------------------------|---------------------------------|-----------|-------------|----------------------|
| | Balance 6/30/2006 | Prior Period Adjustment | Adjusted Balance 7/1/2006 | Additions | Transfers* | Balance 6/30/2007 |
| Capital assets not being depreciated | | | | | | |
| Land | \$ | \$ | \$ | \$ | \$ | \$ |
| Non-depreciable land improvements | | | | | | |
| Capitalized collections | | | | | | |
| Construction in progress | | | | | | |
| Total capital assets not being depreciated | \$ | \$ | \$ | \$ | \$ | \$ |
| Other capital assets | | | | | | |
| Furniture, fixtures, and equipment | \$ 22,537 | \$ | \$ 22,537 | \$ | \$ (14,878) | \$ 7,659 |
| Less accumulated depreciation | (22,537) | | (22,537) | | 14,878 | (7,659) |
| Total furniture, fixtures, and equipment | | | | | | |
| Buildings and improvements | | | | | | |
| Less accumulated depreciation | | | | | | |
| Total buildings and improvements | | | | | | |
| Depreciable land improvements | | | | | | |
| Less accumulated depreciation | | | | | | |
| Total depreciable land improvements | | | | | | |
| Infrastructure | | | | | | |
| Less accumulated depreciation | | | | | | |
| Total infrastructure | | | | | | |
| Total other capital assets | \$ | \$ | \$ | \$ | \$ | \$ |
| Capital Asset Summary: | | | | | | |
| Capital assets not being depreciated | \$ | \$ | \$ | \$ | \$ | \$ |
| Other capital assets, at cost | 22,537 | | 22,537 | | (14,878) | 7,659 |
| Total cost of capital assets | 22,537 | | 22,537 | | (14,878) | 7,659 |
| Less accumulated depreciation | (22,537) | | (22,537) | | 14,878 | (7,659) |
| Capital assets, net | \$ | \$ | \$ | \$ | \$ | \$ |

* Should be used only for those completed projects coming out of construction-in-progress to fixed assets; not associated with transfers reported elsewhere in this packet.

E. INVENTORIES – NOT APPLICABLE

F. RESTRICTED ASSETS – NOT APPLICABLE

**STATE OF LOUISIANA
LOUISIANA PROFESSIONAL ENGINEERING
AND LAND SURVEYING BOARD (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2007**

G. LEAVE

1. COMPENSATED ABSENCES

The Louisiana Professional Engineering and Land Surveying Board (BTA) has the following policy on annual and sick leave:

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the fund when leave is actually taken; it is recognized in the enterprise funds when the leave is earned. The cost of leave privileges applicable to general government operations not requiring current resources is recorded in long-term obligations.

2. COMPENSATORY LEAVE

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave at June 30, 2007 computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.105 is estimated to be \$1,292. The leave payable is recorded in the accompanying financial statements.

H. RETIREMENT SYSTEM

Substantially all of the employees of the (BTA) are members of the Louisiana State Employees Retirement System (LASERS), a single employer defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees. (Note: If LASERS is not your entity's retirement system, indicate the retirement system that is and replace any wording in this note that doesn't apply to your retirement system with the applicable wording.)

All full-time (BTA) employees are eligible to participate in the System unless they elect to continue as a contributing member in any other retirement system for which they remain eligible for membership. Certain elected officials and officials appointed by the governor may, at their option, become members of LASERS. Normal benefits vest with 10 years of service. Generally, retirement age employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service except for members eligible to begin participation in the Defined Benefit Plan (DBP) on or after July 1, 2006. Act 75 of the 2005 Regular Session changes retirement eligibility and final average compensation for members who are eligible to begin participation in the DBP beginning July 1, 2006. Retirement eligibility for these members is limited to age 60, or thereafter, upon attainment of ten years of creditable service. Final average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment.

Vested employees eligible to begin participation in the DBP before July 1, 2006, are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, these vested employees have the option of reduced benefits at any age with 20 years of service. Those hired on or after July 1, 2006 have only a single age option. They cannot retire until age 60 with a minimum of 10 years of service. The System also provides death and disability

**STATE OF LOUISIANA
LOUISIANA PROFESSIONAL ENGINEERING
AND LAND SURVEYING BOARD (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2007**

benefits and deferred benefit options, with qualifications and amounts defined by statute. Benefits are established or amended by state statute. The System issues a publicly available annual financial report that includes financial statements and required supplementary information for the System. For a full description of the LASERS defined benefit plan, please refer to the LASERS 2006 Financial Statements, specifically, footnotes A – Plan Description and C – Contributions. That report may be obtained by writing to the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000. The footnotes to the Financial Statements contain additional details and is also available on-line at:

[http://www.lasers.state.la.us/PDFs/Publications and Reports/Fiscal Documents/Comprehensive Financial Reports/Comprehensive%20Financial%20Reports 06.pdf](http://www.lasers.state.la.us/PDFs/Publications%20and%20Reports/Fiscal%20Documents/Comprehensive%20Financial%20Reports/Comprehensive%20Financial%20Reports%2006.pdf)

Members are required by state statute to contribute with the single largest group ("regular members") contributing 7.5% of gross salary, and the (BTA) is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate for the fiscal year ended June 30, 2007, remain unchanged at 19.1% of annual covered payroll from the 19.1% and 17.8% required in fiscal years ended June 30, 2006 and 2005 respectively. The (BTA) contributions to the System for the years ending June 30, 2007, 2006, and 2005, were \$62,986, \$59,166, and \$67,512, respectively, equal to the required contributions for each year.

I. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The Louisiana Professional Engineering and Land Surveying Board (BTA) provides certain continuing health care and life insurance benefits for its retired employees. Substantially all (BTA) employees become eligible for post employment health care and life insurance benefits if they reach normal retirement age while working for the (BTA). These benefits for retirees and similar benefits for active employees are provided through an insurance company whose premiums are paid jointly by the employee and the (BTA). For 2007, the cost of providing those benefits for the five retirees totaled \$19,548.

J. LEASES

1. OPERATING LEASES

The total payments for operating leases during fiscal year 2006/07 amounted to \$73,548. A schedule of payments for operating leases follows:

| <u>Nature of lease</u> | <u>FY 2008</u> | <u>FY 2009</u> | <u>FY 2010</u> | <u>FY 2011</u> | <u>FY 2012</u> | <u>FY 2013- 2017</u> | <u>FY 2018- 2022</u> |
|------------------------|----------------|----------------|----------------|----------------|----------------|--------------------------|--------------------------|
| Office Space | \$ 67,992 | \$ 67,992 | \$ 28,330 | \$ | \$ | \$ | \$ |
| Equipment | 2,035 | | | | | | |
| Land | | | | | | | |
| Other | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Total | \$ 70,027 | \$ 67,992 | \$ 28,330 | \$ - | \$ - | \$ - | \$ - |

2. CAPITAL LEASES – NOT APPLICABLE

3. LESSOR DIRECT FINANCING LEASES – NOT APPLICABLE

4. LESSOR – OPERATING LEASE – NOT APPLICABLE

K. LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions of the entity for the year ended June 30, 2007:

**STATE OF LOUISIANA
LOUISIANA PROFESSIONAL ENGINEERING
AND LAND SURVEYING BOARD (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2007**

(Balances at June 30th should include current and non-current portion of long-term liabilities.)

| | Balance June 30, 2006 | Year ended June 30, 2007 | | Balance June 30, 2007 | Amounts due within one year |
|--|-----------------------------|--------------------------|------------|-----------------------------|-----------------------------------|
| | | Additions | Reductions | | |
| Notes and bonds payable: | | | | | |
| Notes payable | \$ | \$ | \$ | \$ -- | \$ |
| Bonds payable | | | | -- | |
| Total notes and bonds | -- | -- | -- | -- | -- |
| Other liabilities: | | | | | |
| Contracts payable | | | | -- | |
| Compensated absences payable | 27,206 | 544 | | 27,750 | 9,481 |
| Capital lease obligations | | | | -- | |
| Claims and litigation | | | | -- | |
| Liabilities payable from restricted assets | | | | -- | |
| Other long-term liabilities | | | | -- | |
| Total other liabilities | 27,206 | 544 | -- | 27,750 | 9,481 |
| Total long-term liabilities | \$ 27,206 | \$ 544 | \$ -- | \$ 27,750 | \$ 9,481 |

L. CONTINGENT LIABILITIES – NOT APPLICABLE

M. RELATED PARTY TRANSACTIONS – NOT APPLICABLE

N. ACCOUNTING CHANGES – NOT APPLICABLE

O. IN-KIND CONTRIBUTIONS – NOT APPLICABLE

P. DEFEASED ISSUES – NOT APPLICABLE

Q. COOPERATIVE ENDEAVORS – NOT APPLICABLE

R. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS) – NOT APPLICABLE

S. VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS – NOT APPLICABLE

T. SHORT-TERM DEBT – NOT APPLICABLE

U. DISAGGREGATION OF RECEIVABLE BALANCES

Receivables at June 30, 2007, were as follows:

**STATE OF LOUISIANA
LOUISIANA PROFESSIONAL ENGINEERING
AND LAND SURVEYING BOARD (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2007**

| Fund (gen. fund, gas tax fund, etc.) | Customer Receivables | Taxes | Receivables from other Governments | Other Receivables | Total Receivables |
|---|-------------------------|-------|--|----------------------|----------------------|
| | \$ | \$ | \$ | \$ 26 | \$ 26 |
| | | | | | |
| Gross receivables | \$ - | \$ - | \$ - | \$ 26 | \$ 26 |
| Less allowance for uncollectible accounts | - | - | - | - | - |
| Receivables, net | \$ - | \$ - | \$ - | \$ 26 | \$ 26 |
| Amounts not scheduled for collection during the subsequent year | \$ | \$ | \$ | \$ | \$ - |

V. DISAGGREGATION OF PAYABLE BALANCES

Payables at June 30, 2007, were as follows:

| Fund | Vendors | Salaries and Benefits | Accrued Interest | Other Payables | Total Payables |
|----------------|----------|-----------------------------|---------------------|-------------------|-------------------|
| | \$ | \$ | \$ | \$ | \$ - |
| | 6,203 | 14,786 | | | 20,989 |
| Total payables | \$ 6,203 | \$ 14,786 | \$ - | \$ - | \$ 20,989 |

W. SUBSEQUENT EVENTS – NOT APPLICABLE

X. SEGMENT INFORMATION – NOT APPLICABLE

Y. DUE TO/DUE FROM AND TRANSFERS – NOT APPLICABLE

Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS – NOT APPLICABLE

AA. PRIOR-YEAR RESTATEMENT OF NET ASSETS – NOT APPLICABLE

BB. NET ASSETS RESTRICTED BY ENABLING LEGISLATION (GASB STATEMENT 46) – NOT APPLICABLE

CC. IMPAIRMENT OF CAPITAL ASSETS – NOT APPLICABLE

DD. EMPLOYEE TERMINATION BENEFITS

Substantially all employees are eligible for termination benefits upon separation from the state. The agency recognizes the cost of providing these benefits as expenditures when paid during the year. For 2007, there were no benefits paid for voluntary or involuntary terminations.

There is no liability for accrued voluntary or involuntary terminations benefits payable at June 30, 2007.

**STATE OF LOUISIANA
LOUISIANA PROFESSIONAL ENGINEERING
AND LAND SURVEYING BOARD (BTA)
SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
For the Year Ended June 30, 2007**

| <u>Name</u> | <u>Amount</u> |
|--|---------------|
| Timothy J. Allen | \$ 3,193 |
| Richard I. Durrett (term ended March 20, 2007) | 2,765 |
| Roger D. Danzy (appointed March 20, 2007) | 870 |
| James D. Garber | 1,137 |
| Rhaoul A. Guillaume | 1,944 |
| Kerry M. Hawkins | 3,407 |
| Mark A. Jusselin | 2,613 |
| Norma J. Mattei (appointed May 14, 2007) | 0 |
| Kenneth L. McManis (term ended March 20, 2007) | 950 |
| Ali M. Mustapha | 1,000 |
| Richard I. Savoie (appointed May 14, 2007) | 0 |
| Mark H. Segura (deceased) | 1,291 |
| C. L. Jack Stelly | 3,020 |
| Joseph C. Wink, Jr. | 1,600 |
| | \$ 23,790 |

Note: The per diem payments are authorized by Louisiana Revised Statute, and are presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Legislature.

STATE OF LOUISIANA
 _____ (BTA)
SCHEDULE OF NOTES PAYABLE
 _____, 20____
 (Fiscal close)

NOT APPLICABLE

| Issue | Date of Issue | Original Issue | Principal Outstanding 6/30/PY | Redeemed (Issued) | Principal Outstanding 6/30/CY | Interest Rates | Interest Outstanding 6/30/CY |
|-------|---------------|----------------|-------------------------------|-------------------|-------------------------------|----------------|------------------------------|
| _____ | _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ | _____ | \$ _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Total | | \$ _____ | \$ _____ | \$ _____ | \$ _____ | | \$ _____ |

*Send copies of new amortization schedules

STATE OF LOUISIANA
 _____ (BTA)
SCHEDULE OF BONDS PAYABLE
 _____, 20____
 (Fiscal close)

NOT APPLICABLE

| Issue | Date of Issue | Original Issue | Principal Outstanding 6/30/PY | Redeemed (Issued) | Principal Outstanding 6/30/CY | Interest Rates | Interest Outstanding 6/30/CY |
|-------|---------------|----------------|-------------------------------|-------------------|-------------------------------|----------------|------------------------------|
| _____ | _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ | _____ | \$ _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Total | | \$ _____ | \$ _____ | \$ _____ | \$ _____ | | \$ _____ |

*Send copies of new amortization schedules

STATE OF LOUISIANA
 _____ (BTA)
SCHEDULE OF CAPITAL LEASE AMORTIZATION
 For The Year Ended June 30, 20__

NOT APPLICABLE

| <u>Fiscal Year</u> <u>Ending:</u> | <u>Payment</u> | <u>Interest</u> | <u>Principal</u> | <u>Balance</u> |
|--------------------------------------|-----------------|-----------------|------------------|-----------------|
| 2008 | \$ _____ | \$ _____ | \$ _____ | \$ _____ -- |
| 2009 | _____ | _____ | _____ | _____ -- |
| 2010 | _____ | _____ | _____ | _____ -- |
| 2011 | _____ | _____ | _____ | _____ -- |
| 2012 | _____ | _____ | _____ | _____ -- |
| 2013-2017 | _____ | _____ | _____ | _____ -- |
| 2018-2022 | _____ | _____ | _____ | _____ -- |
| 2023-2027 | _____ | _____ | _____ | _____ -- |
| 2028-2032 | _____ | _____ | _____ | _____ -- |
| Total | \$ _____ -- | \$ _____ -- | \$ _____ -- | \$ _____ -- |

STATE OF LOUISIANA
(BTA)
SCHEDULE OF NOTES PAYABLE AMORTIZATION
For the Year Ended June 30, 20__

NOT APPLICABLE

| Fiscal Year Ending: | <u>Principal</u> | <u>Interest</u> |
|--------------------------------|-------------------------|------------------------|
| 2008 | \$ _____ | \$ _____ |
| 2009 | _____ | _____ |
| 2010 | _____ | _____ |
| 2011 | _____ | _____ |
| 2012 | _____ | _____ |
| 2013-2017 | _____ | _____ |
| 2018-2022 | _____ | _____ |
| 2023-2027 | _____ | _____ |
| 2028-2032 | _____ | _____ |
| Total | \$ _____ _____ | \$ _____ _____ |

STATE OF LOUISIANA
_____ (BTA)
SCHEDULE OF BONDS PAYABLE AMORTIZATION
For The Year Ended June 30, 20__

NOT APPLICABLE

| Fiscal Year <u>Ending:</u> | <u>Principal</u> | <u>Interest</u> |
|---|-------------------------|------------------------|
| 2008 | \$ _____ | \$ _____ |
| 2009 | _____ | _____ |
| 2010 | _____ | _____ |
| 2011 | _____ | _____ |
| 2012 | _____ | _____ |
| 2013 | _____ | _____ |
| 2014 | _____ | _____ |
| 2015 | _____ | _____ |
| 2016 | _____ | _____ |
| 2017 | _____ | _____ |
| 2018 | _____ | _____ |
| 2019 | _____ | _____ |
| 2020 | _____ | _____ |
| 2021 | _____ | _____ |
| 2022 | _____ | _____ |
| 2023 | _____ | _____ |
| 2024 | _____ | _____ |
| 2025 | _____ | _____ |
| 2026 | _____ | _____ |
| 2027 | _____ | _____ |
| 2028 | _____ | _____ |
| 2029 | _____ | _____ |
| 2030 | _____ | _____ |
| 2031 | _____ | _____ |
| 2032 | _____ | _____ |
| Total | \$ _____ | \$ _____ |

STATE OF LOUISIANA

LOUISIANA PROFESSIONAL ENGINEERING
AND LAND SURVEYING BOARD (BTA)

COMPARISON FIGURES

To assist OSRAP in determining the reason for the change in financial position for the State, please complete the schedule below. If the change is greater than \$1 million, explain the reason for the change.

| | <u>2007</u> | <u>2006</u> | <u>Difference</u> | <u>Percentage Change</u> |
|-------------------------|--------------|--------------|-------------------|------------------------------|
| 1) Revenues | \$ 1,391,431 | \$ 1,268,532 | \$ 122,899 | \$ 9.7% |
| Expenses | 1,000,207 | 900,379 | 99,828 | 11.1% |
| 2) Capital assets | - | - | - | - |
| Long-term debt | - | - | - | - |
| Net Assets | 1,426,329 | 1,035,105 | 391,224 | 37.8% |
| Explanation for change: | | | | |
| | | | | |
| | | | | |
| | | | | |

FOR YEAR ENDED JUNE 30, 2007

NOT APPLICABLE

[illegible]

Roy Chenevert

CERTIFIED PUBLIC ACCOUNTANT

12605 S. HARRELLS FERRY ROAD, SUITE 5
BATON ROUGE, LA 70816-2563

PHONE: (225) 292-1190
FAX: (225) 292-1195
EMAIL: ROYPC@BELLSOUTH.NET

MEMBER OF:

AMERICAN INSTITUTE OF CPAs
AICPA PRIVATE COMPANIES PRACTICE SECTION
SOCIETY OF LOUISIANA CPAs

To the Board Members of Louisiana Professional
Engineering and Land Surveying Board

In planning and performing our audit of the financial statements of Louisiana Professional Engineering and Land Surveying Board for the year ended June 30, 2007, we considered the Board's internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control.

However, we became aware of the following matter that is an opportunity for strengthening internal controls and operating efficiency. These comments do not affect our report dated August 16, 2007 on the financial statements of the Board.

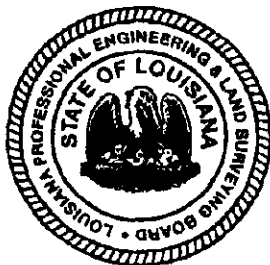
Cafeteria Plan

We noted at June 30, 2007 that the cafeteria plan offered by the Board to its employees had \$2,294 of forfeited contributions by former employees of the Board. We recommend that the Board research its options on the proper handling of these forfeited amounts.

This report is intended solely for the information and use of the Board and management of the Louisiana Professional Engineering and Land Surveying Board.

Roy Chenevert, CPA

Baton Rouge, Louisiana
August 16, 2007

**LOUISIANA PROFESSIONAL ENGINEERING AND LAND SURVEYING BOARD**

Kerry M. Hawkins
P.E.
Chairman

C. L. Jack Stelly
P.L.S.
Vice Chairman

Timothy J. Allen
P.L.S.
Treasurer

Joseph C. Wink, Jr.
P.E.
Secretary

Roger D. Danzy
P.E.

James D. Garber,
Ph.D., P. E.

Rhaoul A. Guillaume
P.E.

Mark A. Jusselin
P.E.

Norma Jean Mattei
Ph.D., P. E.

Ali M. Mustapha
P.E.

Richard L. Savoie
P.E.

Donna D. Sentell
Executive Secretary

October 3, 2007

Ms. Margaret Franklin, CPA
Roy Chenevert, Certified Public Accountants
12605 South Harrells Ferry Road, Suite 5
Baton Rouge, LA 70816-2563

Dear Margaret:

Thank you for your assistance with our annual audit.

The audit information was presented to the LAPELS board at our September board meeting. The funds from the medical reimbursement account were discussed. I have included a copy of the motion from the board minutes to indicate how the board will handle this matter.

Let me know if you have questions.

Sincerely,

Donna D. Sentell
Executive Secretary

enclosure

MINUTES OF THE REGULAR MEETING
LOUISIANA PROFESSIONAL ENGINEERING
AND LAND SURVEYING BOARD
9643 BROOKLINE AVENUE, SUITE 121
BATON ROUGE, LOUISIANA 70809-1433
September 17 - 18, 2007

At 8:00 a.m. on September 17, 2007, the Chairman called the meeting to order at 9643 Brookline Avenue, Baton Rouge, Louisiana with the following members present:

| | |
|---------------------------|---------------|
| Kerry M. Hawkins, P.E. | Chairman |
| C. L. Jack Stelly, P.L.S. | Vice Chairman |
| Timothy J. Allen, P.L.S. | Treasurer |

Roger D. Danzy, P.E.
James D. Garber, PhD., P.E.
Rhaoul A. Guillaume, P.E.
Mark A. Jusselin, P.E.
Norma Jean Mattei, PhD., P.E.
Ali M. Mustapha, P.E.
Richard L. Savoie, P.E.

Also present: Donna D. Sentell, Executive Secretary
Robert E. Eddleman, Deputy Executive Secretary/Director of Enforcement
Justin Owens, Administrative Coordinator
Heidi G. Watts, Administrative Assistant
Andre Gilds, Investigator
D. Scott Landry, Board Attorney

Not Present: Joseph C. Wink, P.E., Secretary

The Board unanimously approved the motion made by Mr. Allen, seconded by Dr. Mattei, to authorize the Executive Secretary to move the excess funds from the medical reimbursement account to the operating budget for administrative costs.